



W.P.Crl.No.406 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED : 24.07.2025

CORAM :

THE HONOURABLE MR. JUSTICE M.S. RAMESH

AND

THE HONOURABLE MR. JUSTICE V. LAKSHMINARAYANAN

W.P.Crl.No.406 of 2025
and WPMP.Crl.Nos.190 & 191 of 2025

1. Ravichandran Narayanan,
S/o. Narayanan, Residing at, No.1,
Krishnapuri 1st Street, RA Puram,
Chennai - 600028.

2.True Value Homes (India) Private
Limited,
Represented by its authorized
signatory Having office at, TVH
Novella, plot No.112, Old No.4, Door
No.16/17, 3rd Cross Road, Chennai
City Corporation, Raja Annamalai
Puram, TamilNadu- 28.

3.TVH Energy Resource Private Limited
Represented by its authorized signatory
Having office at, TVH Novella,
plot No.112, Old No.4,
Door No.16/17, 3rd Cross Road,
Chennai City Corporation,
Raja Annamalai Puram,
TamilNadu- 28.



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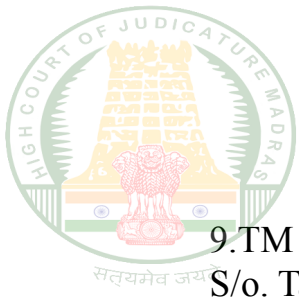
4.Arivunithi Tamizhmaran,
S/o. Mr.Tamizhmaran,
Residing at , Flat No. 1408,
14th Floor, TVH Quartrand,
LB road, Adyar, Chennai - 600020.

5.Thiyagarajan Selvamani,
S/o. Thiyagarajan,
Residing at No. 7/4,
4th Main Road, 4th Avenue,
Indira Nagar, Adyar, Chennai 600020.

6.D.Kaviprasad,
S/o. R.Dharman,
Residing at D.No. 7,
4th Floor, No.42,
Ramaswamy Salai,
KK Nagar, Chennai 600078.

7.KN Manivannan
S/o. Mr. G.Narayanan,
Residing at TVH Ekanta Flat No.B2,
42, Masakklipalayam Road,
Coimbatore South,
Uppilipalayam,
S.O. Coimbatore.

8.D.Ramesh
S/o. Mr. R.Duraisamy,
Residing at T2, Vaidyanath Flats,
2nd Canal 1st Cross Street,
Gandhi Nagar, Adyar S.O,
Besant Nagar, Chennai.



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9.TM Elayaraja
S/o. Tamizhmaran, Residing at
No.9/11, 2B, Saranalaya Apartments,
2nd Floor, Prithve Avenue, RA
Puram, Chennai - 600028.

... Petitioner

Vs.

Enforcement Directorate
Chennai Zone Office -I,
No.2, 5th and 6th Floor,
BSNL Administrative Building,
Kushkumar Road, Nungambakkam,
Chennai - 600034.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writ of Certiorarified Mandamus, to call for the records of the Respondent in its proceedings in ECIR/CEZO-I/15/2024 dated 27.09.2024 and quash the same against all the petitioners and direct the Respondent to release the devices and cash seized during the search and seizure conducted from 07.04.2025 to 09.04.2025.

For Petitioners : Mr.Vijay Narayanan
Senior Counsel for
Mr.Abishek Jenasenan

For Respondent : Mr.N.Ramesh
Special Public Prosecutor



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ORDER

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(Order of the Court was made by M.S.RAMESH.J.)

This Criminal Writ Petition has been filed for issuance of a Writ of Certiorarified Mandamus, seeking to call for the records of the respondent in its proceedings in ECIR/CEZO-I/15/2024 dated 27.09.2024 and quash the same against all the petitioners and direct the respondent to release the devices and cash seized during the search and seizure conducted from 07.04.2025 to 09.04.2025.

2. The Central Bureau of Investigation - ACB, Chennai had registered an F.I.R in R.C.No.032 2021 A0022 dated 24.12.2021. Upon completion of the investigation, the investigating agency had filed a final report on 22.08.2024, which was taken on file as C.C.No.2358 of 2024 before the learned Additional Chief Metropolitan Magistrate, Chennai. All the petitioners herein, except the 5th petitioner, were shown as accused persons in the said final report and summons were issued to all the petitioners. Petitioners 1 to 4 and 6 to 8 had challenged the proceedings in C.C.No.2358 of 2024 before this Court in Crl.O.P.No.30938 and 30939 of 2024

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respectively. A learned Single Judge of this Court, by an order dated 07.07.2025, had quashed the proceedings in C.C.No.2358 of 2024 subject to certain conditions, which reads as follows:

"II. The Result:

9.In view, therefore, these Criminal Original Petitions are ordered on the following terms:

(a) The petitioners shall jointly pay the costs of Rs.30 Lakhs, of which a sum of Rs.15 Lakhs shall be paid to the 1st respondent and another sum of Rs.15 Lakhs shall be paid to the Tamilnadu Mediation and Conciliation Centre, High Court of Madras, Chennai-104, within eight weeks of receiving the web copy of the order;

(b) Upon payment of the above sum and production of the receipts before the Trial Court, the final report filed in C.C.No.2358 of 2024, on the file of the Additional Chief Metropolitan Magistrate, Egmore, Chennai, shall stand quashed;

(c) Failure to pay the above sum these Crl.O.P.Nos.30938 and 30959 of 2024 shall stand dismissed.

(d) Connected miscellaneous petitions are closed. "



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3. In compliance with the aforesaid conditions, the petitioners, 1 to 4 and 6 to 8 had filed a compliance memo dated 10.07.2025 before the learned Additional Chief Metropolitan Magistrate, Egmore in C.C.No.2358 of 2024. Acknowledging the same, the CBI-ACB, Chennai had also filed a memo before the said Court on 14.07.2025. Consequently, the proceedings in C.C.No.2358 of 2024 were quashed, and the petitioners 1 to 4 and 6 to 8 were acquitted.

4. In the meantime, the respondent herein had registered an Enforcement Case Information Report bearing No.ECIR/CEZO-I/15/2024 dated 27.09.2024, under the provisions of the Prevention of Money Laundering Act, 2002 [hereinafter referred to as “PMLA”] against two of the petitioners, along with unknown persons.

5. Mr.Vijay Narayanan, learned Senior Counsel for the petitioners questioned the validity of the continuance of the proceedings before the Special Court under the PMLA in the absence of a predicate offence, in view of the fact that C.C.No.2358 of 2024 had been quashed by this Court



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and the conditional order had also been duly complied with.

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6. Mr.N.Ramesh, learned Special Public Prosecutor for the respondent fairly admitted that the proceedings in C.C.No.2358 of 2024 has been quashed and the condition imposed in the order passed in Crl.O.P.No.30938 of 2024 and 30939 of 2024 dated 07.07.2025 has also been complied.

7. It is a settled proposition of law that when an accused is finally discharged from the predicate offences, there can be no offence of money laundering. Hence, any incidental action that may have been taken against such persons by the Enforcement Directorate, would also become infructuous. In the case of ***Vijay Madanlal Choudhary & Others Vs. Union of India and Others*** reported in (2022 SCC OnLine SC 929, this legal position was reiterated in the following manner:-

“467. ... (v)(d) The offence under Section 3 of the 2002 Act is dependent on illegal gain of property as a result of criminal activity relating to a scheduled offence. It is concerning the process or activity connected with such property, which constitutes the



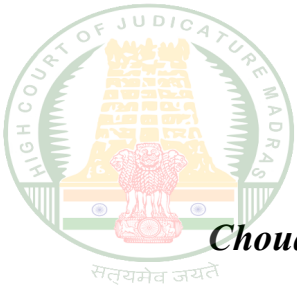
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offence of money-laundering. The Authorities under the 2002 Act cannot prosecute any person on notional basis or on the assumption that a scheduled offence has been committed, unless it is so registered with the jurisdictional police and/or pending enquiry/trial including by way of criminal complaint before the competent forum. If the person is finally discharged/acquitted of the scheduled offence or the criminal case against him is quashed by the Court of competent jurisdiction, there can be no offence of money laundering against him or any one claiming such property being the property linked to stated scheduled offence through him.”

8. When the predicate offences in C.C.No.2358 of 2024 on the file of the learned Additional Chief Metropolitan Magistrate, Egmore have been quashed as against the petitioners 1 to 4 and 6 to 8 and the fifth petitioner was never an accused in the case of predicate offences, the respondent herein would be estopped from pursuing the proceedings against those petitioners under the PMLA before the Special Court, in view of the categorical precedent of the Supreme Court in ***Vijay Madanlal***



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Choudhary's case (supra).

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9. In the light of the above findings and observations, the proceedings in ECIR/CEZO-I/15/2024 dated 27.09.2024 on the file of the respondent herein is quashed. Accordingly, the Criminal Writ Petition stands allowed. Consequently, the respondent shall forthwith release the devices and cash seized during the search and seizure operations conducted between 07.04.2025 and 09.04.2025, if not already released, within a period of one (1) week from the date of receipt of a copy of this order. No costs. Consequently, connected miscellaneous petitions are closed.

[M.S.R., J] [V.L.N., J]

24.07.2025

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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M.S.RAMESH, J.
and
V. LAKSHMINARAYANAN, J.

Anu

To

1.Enforcement Directorate
Chennai Zone Office -I,
No.2, 5th and 6th Floor,
BSNL Administrative Building,
Kushkumar Road, Nungambakkam,
Chennai - 600034.

2.The Public Prosecutor,
High Court, Madras.

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(2/2)